

Executed copy
see Email - Gary Sanderson
12/17/09

**REAL PROPERTY
PURCHASE AGREEMENT**

THIS REAL PROPERTY PURCHASE AGREEMENT ("AGREEMENT") is entered into this 18th day of November, 2008 between San Miguelito Partners, a California Limited Partnership, hereinafter referred to as "Seller," and the County of San Luis Obispo, hereinafter referred to as "Buyer," for the purchase of the real property hereinafter described (the "Property"). The amount to be paid, and other consideration to be given in full satisfaction of this Agreement, are as follows:

ACQUISITION COST: An amount not to exceed \$1,251,000.
LEGAL DESCRIPTION: See Exhibit "A" attached hereto and incorporated herein by this reference.
IMPROVEMENTS PURCHASED: None.
LAND PURCHASED: Approximately 36.98

1. Except as otherwise provided herein, Seller hereby agrees that the compensation herein provided to be paid, includes full compensation for Seller's interests, and the interests of Seller's life tenants, remainderman, reversioners, lien holders and lessees and, furthermore, Seller agrees to discharge any and all other legal and equitable interests which are or may be outstanding relative to the purchased real Property prior to final authorization by the San Luis Obispo County Board of Supervisors. Seller and Buyer hereby agree that the Property to be conveyed to Buyer by Seller in accordance with this Agreement shall not include (except as provided below) the exclusive easement (consisting of approximately 49,521 square feet) ("Premises") described in Exhibit "B", which shall be recorded at close of escrow. Seller shall retain the Premises, including the right to receive payment of rent and all other income generated by existing and future wireless communication leases within the Premises. In addition, Seller shall retain the right to a 20-foot wide utility easement for the purpose of providing utility service to the Premises, as shown and described in Exhibit "C", which shall be recorded at close of escrow. In the event the Premises ceases to be used as a wireless communications site for a period of 2-years or more, said Premises and 20-foot wide utility easement shall revert to the County. Seller shall make available, at a reasonable location within the County, to Buyer the results and copies of any and all reports, evaluations, tests, and studies generated in connection with any cultural, geotechnical, grading and/or environmental assessments relative to the Property in its possession and as listed on Exhibit "D".

Cell Site Area

A14-7
11/18/2008

2. **Taxes and Special Assessments:**

- (a) Seller shall pay current year real property taxes. Prepaid taxes, if any, will be refunded to Seller through the County of San Luis Obispo Auditor's Office.
- (b) Delinquent real property taxes shall be paid in full by Seller prior to transfer.
- (c) Special assessments, if any, will be paid by Seller prior to transfer.

3. **Transfer of Title.** Title to the Property is to be free of liens, encumbrances, easements, restrictions, rights and conditions of record or known to Seller, other than the following:

- (a) Current property taxes; and
- (b) Covenants, conditions, restrictions, and public utility easements of record; and
- (c) Seller shall retain the right to a relocatable sewer, water and utility easement not to exceed 20-feet in width, which final location shall be mutually determined and agreed to by both parties, for sewer, water and utility lines, including the right to enter on the Property and deposit tools thereon for the purpose of excavating trenches, laying sewer, water and utility lines and pipes, together with pumps, valves, necessary electrical lines and other devices within the easement area, and operating, maintaining, repairing and replacing said lines, pipes, pumps, valves, necessary electrical lines and other devices to benefit Parcels 1, 2, and 4 of Parcel Map COAL 96-036 recorded December 20, 1999 in Book 54, Page 36 of Parcel Maps in the Office of the County Recorder of San Luis Obispo County. Attached and incorporated as Exhibit "E" is an easement description that shows the general location of Seller's retained right, which shall be recorded at close of escrow, and once installed, property shall be restored to a condition acceptable to County; and
- (d) An easement defining the Premises and a 20-foot wide utility easement for utility service to the Premises all as described in Exhibits "B" & "C"; and
- (e) Leases associated with the Premises, provided the same do not adversely affect the continued use of the Property for the purposes for which it is presently being used, unless disapproved by Buyer in writing within ten (10) calendar days after receipt of a current preliminary report furnished at Buyer's expense.

A14-8
11/18/2008

13.

(f) Seller shall grant to Buyer the following referenced non exclusive easements;

- 1- Cave Landing Easement (which portion southerly, to Cave Landing Road, of the intersecting King access easement shall be quitclaimed from Buyer to Seller, or Seller's successor in interest in interest of Parcel 2 after County has obtained access from the adjacent property owner of Sycamore access easement as shown on the attached map); and
- 2- King Access Easement; and
- 3- The easement allowing County access through the Premises.

All easements are shown and described in Exhibit "F," which shall be recorded at close of escrow.

(g) The disclosure of the Premises and 20-foot wide utility easement (Exhibits "B" & "C"), general location of the retained right to relocatable sewer, water and utility easement (Exhibit "E"), the listed results and copies of any and all reports, evaluations, tests, and studies generated in connection with any cultural, geotechnical, grading and/or environmental assessments relative to the Property retained by Seller (Exhibit "D"), and the access easements granted to Buyer by Seller (Exhibit "F") is hereby referred to as "Disclosures" and shall be provided to Buyer at Seller's expense.

The relocatable sewer, water and utility easement shall be in a location subject to the approval of the County of San Luis Obispo, whose approval may be granted by the General Services Agency Director or designee ("Director") and whose decision upon the location of the relocatable sewer, water and utility easement shall be based upon conditions at the time the request for the specific location is made.

Seller shall furnish Buyer, at Buyer's expense, a California Land Title Association policy issued by a mutually agreed upon title company authorized to do business in the State of California, showing title vested in Buyer subject only to the above. If Seller (1) is unwilling or unable to eliminate any title matter disapproved by Buyer as above, Buyer may terminate this Purchase Agreement, (2) fails to deliver title as above, Buyer may terminate this Agreement, or Buyer may accept the property with negotiated reduction of the price for the uncorrected matter as Buyer and Seller may agree.

In the event that Buyer and Seller cannot agree on a reduced purchase price within thirty (30) days of Buyer's notice to Seller of Buyer's election to proceed with the close of escrow, Seller may terminate this agreement and this agreement shall thereafter be null, void and of no further force or effect. Seller's election to correct those matters shall be evidenced by written notice within five (5) days after receipt of Buyer's written notice specifying the item

A14-9
11/18/2008

disapproved; Buyer's failure to give notice, within ten (10) days after receipt of the updated Preliminary Title Report and Seller's Disclosures, shall be construed as an election to accept the Property without correction of the item identified by Buyer and without reduction in price.

Prior to the close of escrow and conveyance of the Property from Seller to Buyer, Buyer and Seller and their respective successors and assigns shall reasonably cooperate with one another regarding the implementation and effectuation of the rights, duties and obligations that pertain to the Premises, leases and rights of access encompassed by the Disclosures. The relocatable sewer, water and utility easement depicted on Exhibit "E," including relocation of said easement in order to avoid geologic, hydrologic and other hazards, shall be retainedd by Seller.

Buyer shall permit Seller, within 5-years of close of escrow, to undertake a mitigation program approved by the Army Corps of Engineers ("Corps") and/or California Coastal Commission ("Commission") within that parcel of the Property that is adjacent to San Luis Creek, so long as said mitigation program does not interfere with Buyer's intended use of said parcel, and is consistent with County and Parks land use policies, to offset impacts to wetlands that may be determined by the Corps or Commission to exist on Parcel 4 of Parcel Map COAL 96-036 recorded December 20, 1999 in Book 54, Page 36 of Parcel Maps in the Office of the County Recorder of San Luis Obispo County.

4. **Requirements of Parties:** The parties hereto agree that the purchase of the real property herein described shall be consummated upon final authorization by the San Luis Obispo County Board of Supervisors. The parties hereto agree that the purchase of the Property shall be consummated through escrow at First American Title Company, San Luis Obispo, California or a mutually agreed upon escrow company. The escrow agent will be instructed to disburse funds and close escrow upon execution and recordation of a good and sufficient GRANT DEED. Said Grant Deed shall be recorded as soon as practical following final authorization to purchase the Property by the San Luis Obispo County Board of Supervisors, but in no event later than December 5, 2008. Cost of Grant Deed, escrow fees, document preparation and recording fees to be paid by Buyer. Within ten (10) days after execution of this Agreement by Buyer and Seller, each party shall execute and deliver to escrow its written instructions consistent with the terms of this Agreement and shall provide such other information, documents, and instruments the escrow agent may require to effect closing of this transaction.

5. **Loss Liability.** Any and all losses or damages to the Property or any improvements thereon, occurring prior to recordation of a Grant Deed, shall be at the risk of Seller.

A14-10
11/18/2008

D.

6. **Vacation of Property.** With the exception of the retained right to a relocatable sewer, water and utility easement (as depicted in Exhibit "E"), the Premises (as depicted in Exhibit "B"), Premises tenants and leaseholds, and the 20-foot wide utility easement (as depicted in Exhibit "C") hereto, Seller shall vacate Property prior to recordation of a Grant Deed. Seller shall leave the Property in a clean condition. Seller acknowledges that by entering into said Agreement no further payment for relocation assistance, allowance or compensation will be made or required by Buyer pursuant to Federal, State or County real property acquisition guidelines.

7. **Environmental and Industrial Hygiene Compliance:** Seller represents and warrants that as of the close of escrow, Seller has no actual or constructive knowledge that the Property is in violation of any Federal, State or local law, ordinance or regulation relating to industrial hygiene or to the environmental conditions on, under or about the property including, but not limited to, soil and groundwater condition. Seller further represents and warrants that during the time in which Seller owned the property, neither Seller nor, to the best of Seller's knowledge, any third party has used, generated, manufactured, stored or disposed of on, under or about the property or transported to or from the property any flammable explosives, radioactive materials, hazardous wastes, toxic substances or related materials ("Hazardous Materials"). For the purpose of this Agreement, Hazardous Materials shall include but not be limited to substances defined as "hazardous substances," "hazardous materials," or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq.; and those substances defined as "hazardous wastes" in Section 25117 of the California Health & Safety Code or as "hazardous substances" in Section 25316 of the California Health & Safety Code; and in the regulations adopted and publications promulgated pursuant to said laws. Seller further represents and warrants that, as of the close of escrow, it has not received any summons, citation, notice or other communication from any federal, state or local governmental agency concerning the actual or alleged violation of any federal, state or local law or regulation pertaining to Hazardous Materials at, on or under the Property as described in Exhibit "A".

8. **Indemnity and Hold Harmless.** Seller hereby agrees to indemnify and hold harmless Buyer, its officers, employees, and agents, and any successors to Buyer's interest in the chain of title to the Property, their directors, officers, employees, and agents, from and against any and all liability (i) including all foreseeable and all unforeseeable consequential damages, directly or indirectly arising out of the use, generation, storage, or disposal of Hazardous Materials by Seller or any prior owner or operator of the Property, and (ii) including, without limitation, the cost of any required or necessary repair, cleanup, or detoxification and the preparation of any closure or other

A14-11
11/18/2008

required plans, whether such action is required or necessary prior to or following transfer of title to the Property, to the full extent that such action is attributable, directly or indirectly, to the presence or use, generation, storage, release, threatened release, or disposal of Hazardous Materials by any person on the Property prior to the close of escrow or which the Seller had actual knowledge of and failed to disclose to Buyer prior to the close of escrow.

9. **Binding Agreement.** This Agreement shall extend to and be binding upon the parties hereto and upon their respective heirs, devisees, executors, administrators, legal representatives, successors and assigns only when approved and executed by the San Luis Obispo County Board of Supervisors.

10. **Entire Agreement.** This Agreement embodies the whole Agreement between the parties hereto as it pertains to the subject real property and there are no promised terms, conditions, or obligations referring to the subject matter hereof, other than as contained herein. Any alterations, changes or modifications to this Agreement must be in writing and executed by both Buyer and Seller.

11. **Broker's Commission Indemnity.** Buyer and Seller hereby warrant that they have not engaged the services of a Broker in connection with the transaction contemplated by this Agreement. Buyer and Seller shall each indemnify and hold harmless the other from and against all liabilities, costs, damages and expenses, including without limitation, attorney's fees and court costs resulting from, or arising out of, any claims based upon any agreement or arrangements made by the other to pay broker's fee or finder's fee in connection with the transaction contemplated by this Agreement.

/////////////////////////////////NOTHING FURTHER EXCEPT SIGNATURES/////////////////////////////////

A14-12
11/18/2008

COUNTY OF SAN LUIS OBISPO

By: *James R. Patterson*
Chairperson of the Board of Supervisors

Approved by the Board of Supervisors this 18th day of
November, 2008

ATTEST:

JULIE L. RODEWALD
Clerk of the Board of Supervisors

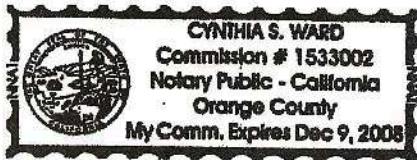
By: *Sandy Curren*
Deputy Clerk

APPROVED AS TO FORM AND LEGAL EFFECT:

WARREN R. JENSEN
County Counsel

By: *Robt. Jensen*
Assistant County Counsel

Date: 11/7/08



SELLER:

San Miguelito Partners, a California Limited Partnership

By: San Miguelito Associates
A California limited partnership,
its general partner

By: Howard & Howard, Inc.
A California corporation
its general partner

By: *Robert W. Howard*
Robert W. Howard, Secretary

State of California

County of Orange

On Nov. 6, 2008 before me, Cynthia S. Ward,
notary public, personally appeared Robert W. Howard who proved
to me on the basis of satisfactory evidence to be the person(s)
whose name(s) is/are subscribed to the within instrument and
acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their
signature(s) on the instrument the person(s) or the entity upon
behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the
State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature *Cynthia S. Ward* (Seal)

EXHIBIT "A"

LEGAL DESCRIPTION

Real property in the unincorporated area of the County of San Luis Obispo, State of California, described as follows:

PARCEL 3 OF PARCEL MAP COAL 96-036, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, ACCORDING TO MAP RECORDED DECEMBER 20, 1999 IS BOOK 54, PAGE 36 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDED OF SAID COUNTY.

APN: 076-231-064 and APN 076-231-066

All that part of Lot No. 44 of the Rancho San Miguelito as laid down and delineated on the map of said Rancho made by H.C. Ward and entitled "Map of the Subdivision of the Rancho San Miguelito not including lands sold to J.M. Price and John Harford, San Luis Obispo County, California, 1876", in the County of San Luis Obispo, State of California, which map is on file in the office of the County Recorder of said County of San Luis Obispo, particularly described as follows, to-wit:

Beginning at a stake marked S.124, said stake being the Northwesterly corner of said Lot 44; thence running from said point of beginning, South 80°49' East 670 feet along the Northerly line of Lot 44 and the Southerly right of way of the Pacific Coast Railroad to a point; thence leaving said line, South 9°11' West, 375 feet along the Westerly line of that certain tract of land belonging to the Fay Water Company and being a part of said Lot 44 to a point on the Northerly line of the San Luis Obispo and Avila Road; thence Westerly along said Northerly line of said road to a point on the Westerly line of said Lot 44; thence North 10° East, 295 feet along said Westerly line of said Lot to the point of beginning.

Except an undivided one-half interest in and to all oil, gas, asphaltum or other hydrocarbon substances in or under said land as granted to Walter F. Rau by deed dated October 22, 1920 and recorded in Book 143, Page 157 of Deeds.

APN: 076-231-068

**A14-14
11/18/2008**